



Iowa Department of Human Services

Kim Reynolds
Governor

Adam Gregg
Lt. Governor

Jerry R. Foxhoven
Director

INFORMATIONAL LETTER NO.1821-MC-FFS

DATE: August 29, 2017

TO: Iowa Medicaid Providers Billing on CMS 1500 Claim Forms (Excluding Ambulatory Surgical Centers, Federally Qualified Health Centers, Indian Health Service and Rural Health Clinics)

APPLIES TO: Managed Care (MC) and Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: 52 Modifier Increased Reduction – Alignment with Industry Standards

EFFECTIVE: October 1, 2017

To be consistent with industry standards, major commercial payors, and the Iowa Medicaid Managed Care Organizations (MCOs), the Iowa Medicaid FFS program will increase the reduction percentage for the 52 modifier from the current 10 percent to 50 percent for dates of service effective on or after October 1, 2017.

As defined in the Current Procedural Terminology (CPT) book, under certain circumstances a service or procedure is partially reduced or eliminated at the discretion of the physician or other qualified health care professional. Under these circumstances, this modifier is used to report a partially reduced service or procedure. This modifier should only be used when there is no other CPT code that would better describe the reduced service/procedure. Iowa Medicaid will reimburse codes billed with this modifier at a rate equal to the lesser of the submitted charge or the fee schedule less 50 percent.

The IME appreciates your continued partnership as we work to improve the claim processing service quality and accuracy. If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at imeproviderservices@dhs.state.ia.us.